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ALVORD AND ALVORD
ATTORNEYS AT LAW
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SUITE 301
WASHINGTON, D.C.

SURFACE TRANSPORTATION BOARD

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

20036

OF COUNSEL
URBAN A. LESTER

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December 21, 2006

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Railroad Equipment Lease, dated as of December 20, 2006, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Owner Trustee/
Lessor:

Wells Fargo Bank Northwest, National
Association
299 South Main Street, 12th Floor
Salt Lake City, UT 84111

Trustor:

Wachovia Financial Services, Inc.
One First Union Center
Charlotte, NC 28288-0738

Lessee:

Consumers Energy Company
One Energy Plaza
Jackson, MI 49201

Mr. Vernon A. Williams
December 21, 2006
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A description of the railroad equipment covered by the enclosed document is:

124 railcars: JSCX 6757 – JSCX 6880.

A short summary of the document to appear in the index is:

Memorandum of Railroad Equipment Lease.

Also enclosed is a check in the amount of \$34.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/sem
Enclosures

RECORDATION NO. 26728 FILED

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SURFACE TRANSPORTATION BOARD

MEMORANDUM OF RAILROAD EQUIPMENT LEASE

dated as of December 20, 2006

between

WELLS FARGO BANK NORTHWEST, NATIONAL ASSOCIATION
as Owner Trustee and Lessor,

WACHOVIA FINANCIAL SERVICES, INC.,
as Trustor

and

CONSUMERS ENERGY COMPANY,
as Lessee,

MEMORANDUM OF RAILROAD EQUIPMENT LEASE

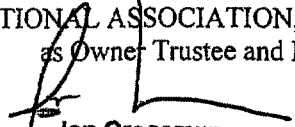
THIS MEMORANDUM OF RAILROAD EQUIPMENT LEASE is made and entered into as of December 20, 2006, by and between WELLS FARGO BANK NORTHWEST, NATIONAL ASSOCIATION, as Owner Trustee and Lessor, WACHOVIA FINANCIAL SERVICES, INC., as Trustor, and CONSUMERS ENERGY COMPANY, as Lessee, with reference to the following:

1. Lessor has agreed to purchase and lease to Lessee, and Lessee has agreed to lease from Lessor, those certain railcars described on Exhibit No. 1 attached hereto.
2. The Railroad Equipment Lease shall be effective as of the date first set forth hereinabove and shall be subject to the lease term as described in the lease agreement between Lessor and Lessee.
3. This Memorandum of Railroad Equipment Lease may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Memorandum of Railroad Equipment Lease.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Railroad Equipment Lease to be executed as of the date first above written.

WELLS FARGO BANK NORTHWEST,
NATIONAL ASSOCIATION,
as Owner Trustee and Lessor

By: 
Name: Jon Groasman
Title: Vice President

WACHOVIA FINANCIAL SERVICES, INC.,
as Trustor


By: _____
Name: _____
Title: _____

CONSUMERS ENERGY COMPANY,
as Lessee

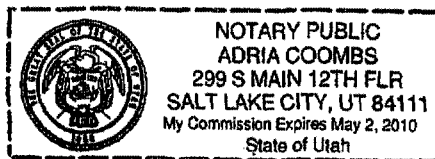
By: _____
Name: _____
Title: _____

STATE OF UTAH)
):ss
COUNTY OF SALT LAKE)

On the 20 day of December, 2006, personally appeared before me Jon Croasmun who being by me duly sworn did say, for himself, that he the said Jon Croasmun is the Vice President of Wells Fargo Bank Northwest, National Association and that the within and foregoing instrument was signed in behalf of said association by authority of a resolution of its Board of Directors, and said Jon Croasmun duly acknowledged to me that said association executed the same.



Notary Public



IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Railroad Equipment Lease to be executed as of the date first above written.

WELLS FARGO BANK NORTHWEST,
NATIONAL ASSOCIATION,
as Owner Trustee and Lessor

By: _____
Name: _____
Title: _____

WACHOVIA FINANCIAL SERVICES, INC.,
as Trustor

By: Richard F. Seymour
Name: Richard F. Seymour
Title: Managing Director

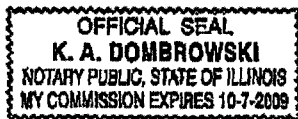
CONSUMERS ENERGY COMPANY,
as Lessee

By: _____
Name: _____
Title: _____

STATE OF ILLINOISCOUNTY OF COOK) ss.
)

On this 20th day of December 2006, before me, K.A. Dombrowski, the undersigned Notary Public, personally appeared Richard F. Seymour personally known to me to be the person who executed the within instrument as Managing Director on behalf of the corporation therein named, and acknowledged to me that the corporation executed it.

[Seal]

K.A. Dombrowski
Notary Public

My commission expires:

October 7, 2009

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Railroad Equipment Lease to be executed as of the date first above written.

WELLS FARGO BANK NORTHWEST,
NATIONAL ASSOCIATION,
as Owner Trustee and Lessor

By: _____
Name: _____
Title: _____

WACHOVIA FINANCIAL SERVICES, INC.,
as Trustor

By: _____
Name: _____
Title: _____

CONSUMERS ENERGY COMPANY,
as Lessee

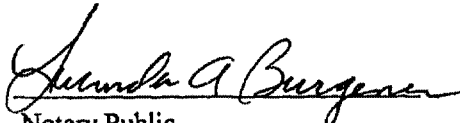


By: W. E. Garhart
Name: W E GARHART
Title: SENIOR VICE PRESIDENT

STATE OF MICHIGAN)
) ss.
CITY OF JACKSON)

On this 20 day of December 2006, before me, Lucinda A. Burgener, the undersigned Notary Public, personally appeared William E. Garrity personally known to me to be the person who executed the within instrument as Senior Vice President on behalf of the corporation therein named, and acknowledged to me that the corporation executed it.

[Seal]


Notary Public

My commission expires:

July 18, 2011

LUCINDA A. BURGNER
NOTARY PUBLIC, STATE OF MI.
COUNTY OF JACKSON
MY COMMISSION EXPIRES JUL 18, 2011
ACTING IN COUNTY OF Jackson

EXHIBIT NO. 1
TO MEMORANDUM OF RAILROAD EQUIPMENT LEASE

DESCRIPTION OF RAILCARS AND REPORTING MARKS

One hundred and twenty-four (124) Aluminum BethGon Coalporter railroad cars,
numbered JSCX 6757-6880, inclusive.